

1 JOHN B. BULGOZDY, Cal. Bar No. 219897

Email: bulgozdyj@sec.gov

2 SUSAN F. HANNAN, Cal. Bar No. 97604

Email: hannans@sec.gov

3 Attorneys for Plaintiff

Securities and Exchange Commission

4 Rosalind R. Tyson, Regional Director

Andrew G. Petillon, Associate Regional Director

5 5670 Wilshire Boulevard, 11th Floor

Los Angeles, California 90036

6 Telephone: (323) 965-3998

7 Facsimile: (323) 965-3908

8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **SOUTHERN DIVISION**

11 SECURITIES AND EXCHANGE
12 COMMISSION,

13 Plaintiff,

14 v.

15 JEANNE M. ROWZEE; JAMES R.
16 HALSTEAD; and ROBERT T. HARVEY;

17 Defendants.

Case No. SACV 08-1025 DOC (ANx)

**FINAL JUDGMENT AGAINST
DEFENDANT JAMES R.
HALSTEAD**

18
19 The Securities and Exchange Commission having filed a Complaint and
20 Defendant James R. Halstead having previously entered a general appearance;
21 consented to the Court's jurisdiction over Defendant and the subject matter of this
22 action; consented to entry of this Judgment without admitting or denying the
23 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
24 conclusions of law; and waived any right to appeal from this Judgment:

25 ///

26 ///

27 ///

28 ///

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act"), 15 U.S.C. § 77q(a), in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a

1 material fact or any omission of a material fact necessary in order to
2 make the statements made, in light of the circumstances under which
3 they were made, not misleading; or

- 4 (c) to engage in any transaction, practice, or course of business which
5 operates or would operate as a fraud or deceit upon the purchaser.

6 **III.**

7 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
8 that Defendant and Defendant's agents, servants, employees, attorneys, and all
9 persons in active concert or participation with them who receive actual notice of
10 this Judgment by personal service or otherwise are permanently restrained and
11 enjoined from violating Section 5 of the Securities Act, 15 U.S.C. § 77e, by,
12 directly or indirectly, in the absence of any applicable exemption:

- 13 (a) Unless a registration statement is in effect as to a security, making use
14 of any means or instruments of transportation or communication in
15 interstate commerce or of the mails to sell such security through the use
16 or medium of any prospectus or otherwise;
- 17 (b) Unless a registration statement is in effect as to a security, carrying or
18 causing to be carried through the mails or in interstate commerce, by
19 any means or instruments of transportation, any such security for the
20 purpose of sale or for delivery after sale; or
- 21 (c) Making use of any means or instruments of transportation or
22 communication in interstate commerce or of the mails to offer to sell or
23 offer to buy through the use or medium of any prospectus or otherwise
24 any security, unless a registration statement has been filed with the
25 Commission as to such security, or while the registration statement is
26 the subject of a refusal order or stop order or (prior to the effective date
27 of the registration statement) any public proceeding or examination
28 under Section 8 of the Securities Act, 15 U.S.C. § 77h.

1 IV.

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
3 that Defendant and Defendant's agents, servants, employees, attorneys, and all
4 persons in active concert or participation with them who receive actual notice of
5 this Judgment by personal service or otherwise are permanently restrained and
6 enjoined from aiding and abetting violations of Sections 206(1) and 206(2) of the
7 Investment Advisers Act of 1940 ("Advisers Act"), 15 U.S.C. § 80b-6(1) and §
8 80b-6(2). by use of the mails or any means or instrumentality of interstate
9 commerce, directly or indirectly:

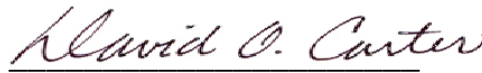
10 (a) to employ any device, scheme, or artifice to defraud any client or
11 prospective client; or

12 (b) to engage in any transaction, practice, or course of business which
13 operates as a fraud or deceit upon any client or prospective client.

14 V.

15 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
16 that this Court shall retain jurisdiction of this matter for the purposes of enforcing
17 the terms of this Judgment.

18 Dated: August 6, 2020

19 
20 THE HON. DAVID O. CARTER
21 UNITED STATES DISTRICT JUDGE
22
23
24
25
26
27
28